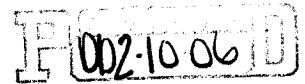


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February 9, 2006

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VIA HAND DELIVERY

E. Wade Mullins, III, Esquire
Bruner, Powell, Robbins, Wall & Mullins, LLC
1735 St. Julian Place, Suite 200
Columbia, SC 29260-1110

RE: South Carolina Electric and Gas Company's Annual Review of
Base Rates for Fuel Costs,
Docket No. 2006-2-E

Dear Wade:

As agreed, enclosed herewith is one copy of SCE&G's responses to SMI's First Data Requests. Copies of these responses are also being served on Mr. Xenopoulos and Mr. Goins via overnight delivery. This letter also confirms that SCE&G provided to SMI copies of its responses to data requests of SCEUC and ORS on Monday, February 6, 2006.

In responding to the discovery requests, SCE&G does not in any manner whatsoever waive or intend to waive its right to object to the discovery requests on the grounds of relevancy to issues which are not related to fuel costs, which is the subject matter of the above-referenced proceeding. Moreover, in responding to the discovery requests, SCE&G does not specifically admit, intend to admit, or concede the relevancy of the discovery requests or SCE&G's responses contained therein. Further, SCE&G objects to any response that requests SCE&G to compile information or perform analysis that is not otherwise conducted or maintained in the normal course of business. Subject to and without waiving any objection, SCE&G has nonetheless provided certain responses to the discovery requests and has produced documents in response thereto.

Furthermore, SCE&G reserves its right to object to the admissibility of any of these documents on grounds of competency, relevancy, materiality and privilege, or any other ground

(Continued . . .)

available in law or equity of any of its responses provided or documents produced or referred to in its responses to SMI's discovery requests. In addition, SCE&G reserves its right to revise, correct, supplement or clarify any of its responses or documents produced or referred to in its responses to SMI's discovery requests.

Also, as a general objection, instructions accompanying SMI's First Set of Data Requests seek to impose certain demands upon SCE&G that are burdensome, unreasonable and not required by Commission rules and practice. Without waiving this objection, SCE&G has in many responses attempted to provide information responsive to the data requests in a readily useable format, if not otherwise objectionable.

Finally, please note that several documents provided in the responses have been designated as **CONFIDENTIAL**. This information is provided subject to the terms of our Confidentiality Agreement in this matter. We would appreciate you ensuring the protection of such information from disclosure.

If you have any questions, please do not hesitate to contact me.

Very truly yours,

WILLOUGHBY & HOEFER, P.A.


Mitchell Willoughby

MW/cgc
enclosures

cc: The Honorable Charles Terreni (w/o enclosures)
Shannon Hudson, Esquire (with enclosures)
Patricia B. Morrison, Esquire (w/o enclosures)
Belton Zeigler, Esquire (w/o enclosures)
Mr. Kenneth Jackson (w/o enclosures)
Damon E. Xenopoulos (with enclosures via FedEx Overnight Delivery)
Dr. Dennis W. Goins (with enclosures via FedEx Overnight Delivery)
Scott Elliott, Esquire (w/o enclosures)